G. R. S. IX-5]

Previous references.

Geol 44-18 (1-4)

1929 20

(Geol)

File No. 41-19

Serial Nos. 1-5

Later references.

25

GENERAL AND REVENUE SECRETARIAT

Serial Nos. 1-5

Part B for September 1919

SUBJECT.

Representation of the Balaghat Gold Mining Co Ltd that the payment of royalty due from them may be waived / deferred

G. 8157 Dy 27-9-19

To the Director of Geology

State that Govt are not pre-
-pared to waive or defer the payment of
royalty.

WD 2233—GPB—20,000—14-6-20

For disposal at a meeting)

No C. 86

15. 8. 1919

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT.

(Clause xii of the Schedule)

Certain proposals in connection with the representation of the Balghat Gold Mining Co. & Ltd., re the royalty payable by them.

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

15th August 1919.

Chief Secretary to Government.

Extraordinary Member of Council. 25.8.19.

First Member of Council. seen.

Second Member of Council. 19/8

Third Member of Council. 19/8/19

FR.—1,000—3-2-14

Mr W. T. M. Pritchard.
Balaghat. Mines
K.G. 7

Genl 41-19

G.R.S. III—3]

Re Royalty

ROUTINE NOTE

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Submitted to the Assistant Secretary

The Second Member wishes to see the Agreement embodying the terms of the mining lease held by the Balaghat Gold Mining Company, Ltd. The same may therefore be kindly put up very early for submission to the Member.

Manavar Reid
17 5 19

2 Branch Please put up now
MW
17.5.19.

3 Leases obtained from the Govt. Office herewith submitted.

MW
17/5

Second Member)

N.B.—Should routine notes be written on small slips, the notes must be copied or slips pasted on this form.

7247-204
22.5.19

Geol 41-19.

G.R.S. III–3]

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

1.)

1. Has no payment yet been made?
2. Can there be any claim to waiver of royalty? If so under what circumstances?
3. Can payment of such be held in abeyance with the consent of the lessors?
4. If so are any penalties or disabilities attached to late payments?

5. I shall be glad if the above points are answered early. If need be the Prof. Es. may be consulted.

Rec'd
22.5.19

2.) Lease makes no specific provisions re these matters. Branch. Please put up any precedents re 2/3124. RW 24/5/19

N.B.—Should routine notes be written on small slips, the notes must be copied or slips pasted on this form.

G.R.S. III—3]

Geol 41-19.

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

No precedents can be traceable in regard to the questn raised in parag 4 (2), (3) and (4) above If approved the Director of Mines & Geology may be requested to furnish the information required A draft is submitted for approval or other orders.

HHS 26-5-19.

& Draft sent 29/5

To the Director of Mines & Geology

G 26 25 27/5

Requests [illegible] information whether any cases in the State in which royalty due by a mining Co to be waived or held in abeyance & if so, [illegible]

ected papers
e sent for
ference

As no reply has yet been received, a draft reminder is proposed.

HHS 2-6-19.

10 Done 2/6

FC 2.

From the Director of Mines & Geology No 3521 Dy 5-6-19

States that there has been no case in which royalty due by any mining Co was waived or held in abeyance, that the Bologhat mining Co had appealed to Govt on two occasions in 1900 & 1918 for a waiver of the claim to royalty due from them but the appeal was rejected & forwards the papers relating to the subject for reference & return. Submitted with reference to para 6 above.

S & P

Mining leases Act 1204 & 146 etc.

HHS 6-6-19

PTO.

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

G. R. S.]

General and Revenue Secretariat.

Govt File No. 41 of 1919

Serial No.

Submitted with reference to queries on para 4 above

(1) Royalty is paid in the following manner. The Co sends to the Comptroller a statement of gold produced and a copy to the Director M&G. The Director forwards to the Comptroller a copy of the statement verified. The company to which the gold is sent by the Co refines it - a refining company in London before the war broke out, the Bombay mint now — issues to the Co a certificate of gold received & refined and forwards a copy to the Comptroller. These three statements act as checks upon one another and the royalty due is calculated on the quantity of gold thus arrived at. The payment of the royalty is made in England by the Managing Company - Messrs John Taylor & Sons - into Coutts & Co's Bank.

9 (2) There can be no claim to waiver of royalty. Royalty becomes payable as soon as there are any net sale proceeds. And there is no clause in the leases giving the lessees the claim to waiver of royalty. I

(3) The leases are Govt and the royalty is due to them. Govt stands to lose by giving consent to the payment of such

NOTE—Contn. sheet.

Serial No.

being held in abeyance and no the company if Govt are prepared to the loss ~~red~~ ~~by~~ such consent there nothing in the leases to prevent the concession.

(4) Such an arrangement being altogether outside the leases the concession may be offered with any conditions re penalty to attached thereto which may be agreed upon between the lessors and the lessees in each case.

13 If desired the Prot. Branch may be consulted
It seems however unnecessary to do so just now. Forwarded
Rec 16/6/19

7925.71
18.6.19

Second Member)

14 The Prot. Branch ~~of the B.A~~ may ~~both~~ be consulted the file may be passed thro the ch Secy before it is put up again

Rec 20.6.19

Prot Branch

Rec 21/6

Sent Acct 24/6

Rec 23/6

15 Forwarded to the Govt Advocate for favour of opinion

B. O.
Sd Hebbleth
Dy Chief Secy
14.7.19

Missing letters nos 1-9 Rec'd in Dept 7-19 20-8-19

Rec'd without Enclosures 15/7

No No 8 15/7/19

NOTE—Contn. sheet.

General and Revenue Secretariat. | Gr. File No. 41 of 1919-20.

Serial No.

O.T.S. 4/19-20
Rift Valley

2535 Ch Sec

Under clause 15 of the Indentures royalties are made payable within 90 days after the sale of gold, precious Stones Etc or within 6 months of the date of Extraction of the ore or the finding of precious Stones Etc,

18 There is no provision in the deeds for making any claims to waiver of Royalty Etc The Company cannot put forward any such claim as a matter of right

19 The lessors are of course at liberty to show the Company any concession they like, if any good reasons deserving of consideration, exist

20 Penalties in cases of non-payment of Royalties are provided in clauses 29 & 30 The former, relating to arrears of over 60 days, authorizes the lessors to seize all gold, metals ores, precious Stones, Etc, in or about the mines and to deduct and retain the a

NOTE—Contn. sheet.

1

Serial No.

of liabilities from the sale proceeds thereof.

21 The latter clause 30 prescribes the penalty in cases where the liabilities are in arrears for over 6 months and, in such cases of non payment, reserves a right of re-entry and an absolute determination of the lease. But I believe this privilege is exercised very rarely and only in exceptional cases

22 There is unfortunately no provision for levying interest on overdue liabilities. This, I believe, is due to the fact of the existence of the right reserved to the lessor under clause 29

But there could be no objection to the lessor and the lessees coming to any understanding re payment of interest on overdue royalties, in consideration of the former waiving or postponing the exercise of their rights under

Clause

NOTE—Contn. sheet.

20789

G. R. S. III-2]

General and Revenue Secretariat. | Govt File No. 41 of 1919-20

Serial No.

CHIEF SECRETARIAT.
28 JUL 1919

clauses 29 and 30 of the Indenture

Memorandum
Govt Advocate
22-7-19

24 Submitted : reference to paragraph 14 above.
MB. 30-7-19 25 The Govt Advocate supports the view expressed in paragraph 12 (2) (3) and (4)

26 Paragraphs 20, 21 and 22 of the G's opinion relate to late payments or failure to pay with the consent of the lessors previously obtained and have no application to the case now raised by the Member
Re/c para 14 above

Ch Secy) 30/7

27 I have nothing to add to the views expressed by the asst secy & the Govt advocate

28 The replies to the Members queries in para 4 are -

(2) (i) ? No
(3) (2) Yes
(4) (3) The terms of holding payments in abeyance have to be settled by separate agreement

1st member) CSR 4/8/19 P.D.O 5/8

NOTE—Contn. sheet.

G. R. S. III-2.

General and Revenue Secretariat. | Genl File No. 41 of 1919-20.

Serial No.

955-120.
6.8.19

29 Mr. Pritchard the Manager of the Bonlaghat Mine came & interviews me in the matter on 15th May last & after hearing his personal representation told him that the matter would be further considered & result intimated as early as it could be done. The representation is that the Mine has worked at a loss for the last few years that the Reserves have been used up. that the Money market is tight & that if early relief is not forthcoming the mine will have to shut down as there are hopes of Successful working if more money is available for further work immediately. The G. A has been consulted & the leases have been carefully studied. There are no precedents for waiver of royalty & this cannot be considered even. I made this plain to Mr Pritchard at the interview. If this lease not be repugnant to the terms of the lease if time is allowed for payment of royalty however. Interest for late payment may, or rd. be charged. As it suits the lessees (first) his letter both not be welcome to the [illegible] lessees Company [illegible] requests me that the situation can be met (1) by postponing defered payments

NOTE—Contn. sheet.

G. R. S. III-2.

General and Revenue Secretariat. | Genl File No. 41 of 1919-20.

Serial No.

the current calendar year (2) by insisting upon prompt payment from the next Calendar year the payment every year being made up of (1) the sum due for the year & (2) an instalment towards payment of arrears, the period being fixed at 2 or 3 years from what I gathered from Mr. Pat the under view. This arrangement is likely to prove the Company's most the relief they want.

When Mr. Banerji was here I had spoken to him in the matter & if I did not misunderstand him he was agreeable to the up cent above indicated provided it was not in conflict with the terms of the lease. Early orders are necessary.

Dewan

Rec'd 9.8.19

Mr Dave 9/8

So Messrs Co. is [illegible] 1921 towards unity arrears, Account be mis heat unfavourable of Rupees Cash with undue pressure. Granting request like this may, I fear, create an unsavoury precedent which will not conduce efficient working & avoid heavy losses of - I am however agreeable to the matter being remitted in Council

13.8.19

CS circulate

13/8/19 Dave 13/8

NOTE—Contn. sheet.

Geol 41-19

p. 84

11

Extract from the Proceedings of the 0 2 n d *Meeting of the Council of His Highness the Maharaja held at Bangalore on the* 26th August 1919.

5. Subject. - Clause xii of the Schedule.

Certain proposals in connection with the representation of the Balghat Gold Mining Co., Ltd., re the royalty payable by them.

Opinion of the Council.

The Council see no reason to waive or defer the payment of royalty.

(Signed) M. KANTARAJ URS,

Dewan of Mysore.

"EXTRACT

S Balasundaramayya

Chief Secretary to Government.

WD 1149—GPB—1,000—23-12-18

C.84 WD 1233—GPB—60,000—1-12-16—S.

12

G. R. S. III-2]

General and Revenue Secretariat. | Genl File No. 41 of 1919-20.

Serial No.

32 To the Assistant Secretary, Branch IV (Mines Dept.)
for kindly submitting the file to the First Member of Council with a draft Final Note.

CSY 27/8/19 Rec'd 27/8

AHS

33 Branch Submitted with a D.F.N.

34 AHS 28-8-19 Rec'd 30/8

5 1st Member

Submitted with a revised draft as directed

AHS 30-8-19

1597-20 1-9-19

36 D.F.N. approved Rec'd 2.9.19.

37 D. S. N. Submitted

Dewan

CSY 5/9/19 Rec'd 6/9

DEWAN'S OFFICE.
Recd. on SEP 6 1919
Reg. No. 653.

NOTE—Contn. sheet.

13
Geol 41-19

FINAL NOTE BY THE FIRST MEMBER OF COUNCIL.

18

SUBJECT: Proposals in connection with the representation of the Balaghat Gold Mining Co., Ltd, re the royalty payable by them.

In a letter, dated 7th August 1918, addressed to Sir M. C Visvesvaraya, Messrs John Taylor and Sons, Managers of the Balaghat Gold Mining Company Ltd., represented that, upon its present scale, the Balaghat Company was losing about £500/- per month, ~~being~~ mainly due to the rise in exchange and to the abnormal increase in the cost of all mining requisites, and, that the capital of the Company was practically exhausted, so that it would not be possible to continue operations unless substantial relief could be obtained, and, requested, for these reasons, that the claim for the royalty due to Government might be waived for a period which might, in the first instance, extend to one year, and thereafter, be the subject of reconsideration according as circumstances developed.

2. After consulting the Offg. Director, Department of Geology, Government rejected the application, on 2nd January 1919, on the A grounds that the Company had a prosperous period from 1900 to 1907 and had, during that period, paid a total dividend of £227,800 and that even at the time the Company had been making small profits after incurring the increased expenditure and payment of royalty due to Government, that the waiver of the claim for royalty-which is only 6.5 per cent of the expenditure-would not afford any appreciable relief to the Company, and, that it would not be desirable to postpone recovery of royalty as such postponements invariably tended to lead to remissions.

3. Mr. Pritchard, the Manager of the Company, again represented (personally to me) on 15th May 1919 that the Mine had worked at a loss during the past few years, that the reserves had been used

Gesl 41-19

up, that the money market was tight and that, if early relief was not forthcoming, the Mine would have to be shut down, though there were hopes of successful working, if more money was available for further work immediately.

4. The Director, Departments of Mines and Geology, who was asked to report whether there have been any cases in the State in which royalty due by any Mining Lessee was waived or held in abeyance, states that there have been so far no such cases.

5. Under Clause 15 of the Leases, royalties are made payable within 90 days after the sale of gold, precious stones etc., or within six months of the date of extraction of the ore or the finding of precious stones etc., There is no provision in the Deeds for making any claims to waiver of royalty etc. The Company cannot put forward any such claim as a matter of right.

6. The Company's request was once rejected in 1900. The appeal made by the Company last year was, as stated above, also rejected, after careful consideration.

7. The present request was considered in Council and they are of opinion that the Company may be informed that Government do not see any reason to waive or defer the payment of royalty. The Company will be informed accordingly on the gracious approval of His Highness.

Page 11 of Office Note

P Raghaviah Rao
2.9.19
FIRST MEMBER OF COUNCIL.

Pol 41-19

Submitted to His Highness.

39

I submit herewith a Final Note by the...First.....

Member of Council on the ~~xxxxxxxxxxxx~~ proposals in connection with the representation of the Balaghat Gold Mining Co., Ltd., re the royalty payable by them,.....

for His Highness' gracious approval.

8th Sept-1919

Dewan.

Geol 41-19

Record of Cases submitted for the Orders of His Highness the Maharaja.

40

Subject.

Representation from the Balaghat Gold Mining Company, Limited, to waive the royalty payable by them.

Order.

~~KRW~~
13/9/19

41 Ch - Ley
Ley

14-9-19

G. R. S. III-2]

c 86

General and Revenue Secretariat.

Genl File No. 41 of 1919-20

Serial No.

(*)

31. All urgent or confidential files returned with His Highness' orders may, in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at headquarters and then sent to the Secretariat concerned for the issue of orders.

42 Circulated to the Members of Council for perusal of (*) His Highness' orders ~~before~~ ~~after~~ issue of orders. (*Vide* Rules 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure).

C S Balasundaram
Chief Secretary to Govt. 15/9

Through the Secretary to Government,

....Department.

1996-417
15-9-19

FIRST MEMBER OF COUNCIL 43 Draft approved may be put up without delay Reed 16.9.19

1984
16.9.19

SECOND MEMBER OF COUNCIL 44 17/9/19

849
17.9.19

3rd
TEMPORARY MEMBER OF COUNCIL. 17/9

Please put up draft and Submit to the 1st Member of Council

45 Draft submitted 17.9.1919 1st Member

C S B 17/9

NOTE.—Contn. sheet

WD 1573—GPB—500—4-3-19

S.J.O.

G. R. S. III-2.

General and Revenue Secretariat.

Gen. File No. 41 of 1919-20

Serial No.	
2148-138. 20-9-19	To Comptroller Reed 23.9.19 To Issue Sd 24/9/19 Sec 24/9/19
3	To The Director Geological Survey, States Hall, Fort, Jodhpur.

NOTE.—Contn. sheet

Geol 41-19

G.R.S. III—3].

7268

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

From the Director, Dept of Geology
No 1033 of 18-10-19
Requests that certain of papers
dealt with his letter of 4-6-19 relating
to certain Petroleum Companies appeal for
waiver of certain royalty dues
from them may be returned. -
Submitted with a draft.
AAG
20-10-19

To the [illegible]

Returned as filed & Regret
as desired.

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form

G.R.S. 31] G.R.S.M.—1,000—15-7-17

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

GENERAL AND REVENUE SECRETARIAT.

No. 26625 *Bangalore, Dated* 27/5/1919

Geol 41-19-1

From

C S. Balasundaram Iyer, Esq., B.A.,

Chief *Secretary to the Government of His Highness the Maharaja of Mysore,*

~~Revenue Department~~.

To

Dr. W. F. Smeeth, M.A., D.Sc.,

Director, Department of Mines & Geology in Mysore

SIR,

I am directed to request you to be so good as to state for the information of Government whether there have been any cases in the State in which royalty due by any mining lessee was waived or held in obeyance and to under what conditions. The files relating to the cases if any may also be forwarded for reference They will be returned when done with.

I have the honor to be,

Sir,

Your most obedient servant,

27/5.

For Chief Secretary to Government.

CP. 2

DIARY NO. 20789
CHIEF SECRETARY
IV
MIN CR Dept
19
JUN 1919
BANGALORE

71925

D.M.G. 17] GPB.—1,000—28-8-15

FROM

Geol 61-19-1/2

DR. W. F. SMEETH, M.A., D.Sc., A.R.S.M., &c.

Director, Dept. of Mines and Geology,
Mysore State.

To

C.S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Government
of H.H. the Maharaja of Mysore,
Bangalore.

Dated Bangalore, 4th June 1919.

Despatched 5-6-919

Received

General No. 3521

Enclosure No. 2 files of papers

Sir,

Geo 616/19

In reply to your letter No. 2625 dated 27th May 1919, I have the honor to state that there have, so far, been no cases in which royalty due by any mining lessee was waived or held in abeyance.

2. The Balaghat Gold Mining Co. had appealed to Government on two occasions, viz,- in 1900 and 1918, for a waiver of the claim of Government to the royalty due by them under the terms of the mining lease, but the appeal was rejected on both the occasions.

3. The file of papers on this subject is forwarded herewith for

reference

Geol 41-19-3

G 8157 dy 27/9/19

To The Director Mines

Sir,

In continuation of this Office letter no G 12998/Geol 44-18-4 dy 2.1.19 stating that the royalty due from the Balaghat gold mining Company could not be waived, I am directed to state that Mr Pritchard of the Company, since Lawis made a personal representation to Govt in the matter in May last and that Govt have again considered the representation and the request of the company that the payment of royalty may at least be deferred for the present. They however repeat that they do not see reason to waive or defer the payment of the royalty.

A

(and with reference to correspondence ending with your letter no 3521 dy 4th June 19 X)

by Mr G B Hobbekar

I am to request that the Supdt of the Company may be informed, with reference to his personal representation, of the above decision of Govt.

I have &c

Sec to Govt

1919

28.9.19

CHIEF SECRETARIAT
IV
MINOR Depts.
20 OCT 1919

DIARY NO. 7268
19 -19
SECTION.

CHIEF SEC. No. 1033 Dated
Ch Sect
30 OCT 1919

Dated Bangalore, 18th October 1919

From

B. Jayaram, Esquire, F.G.S.,
Director,
Mysore Geological Department.

To

C. S. Balasundaram Iyer, Esquire, B.A.
Chief Secretary to the Government of His
Highness the Maharaja of Mysore.

Sir,

I have the honour to request the favour of an early return of the file of papers forwarded with this office No.3521, dated 4th June 1919, relating to the Balaghat Gold Mining Company's appeal for waiver of the claim of Government to the royalty due under the terms of their mining lease.

I have the honour to be,
Sir,
Your most obedient servant,

B Jayaram
Director,
Mysore Geological Department.

C.N.

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

Section Geol
File No. 41-19
Serial No. 5

GENERAL AND REVENUE SECRETARIAT
( )
, *the* 191

No. 410003 (4 pcs)

Date of issue 8/11/19

To

The Director, Dept of Geology

Signed by M. Mr. Gla

Sir,

I am directed to return herewith the marginally noted files and mining leases received from your office in connection with the Balaghat Gold Mining Company's appeal for waiver of the claim for royalty due from them, as desired in your letter no 103 dt 18-10-1919.

File no 131 of 1903-04 A
File no 131 of 1903-04 B
Mining lease no 120 of 25-10-1904
Do no 146 of 28-4-1917

Thereafter
Rec 31/10
Forwarding key to Govt
M 30/10/19

over.